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TO AMCONSUL JERUSALEM

S E C R E T NODIS EYES DNLY

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25X1

THHAK 205

PLEASE DELIVER TO BREMER/RODMAN FOR THE SECRETARY

FROM: BILL HYLAND

1. BEFORE YOUR DEPARTURE FOR DAMASCUS, WE OFFER FOR WHAT IT'S WORTH FOLLOWING SPECULATION FROM WASHINGTON VANTAGE POINT ON STATUS OF NEGOTIATIONS IN WAKE OF MA'ALOT INCIDENT.

2. IT SEEMS TO US ASAD HAS BEEN PURSUING A SHREWD NEGOTIATING STRATEGY BY ESCHEHING OUTRAGEOUS DEMANDS, THUS
PROJECTING IMAGE OF FLEXIBILITY IN EYES OF RESPONSIBLE
ARABS LIKE FAYSAL. WITH ASAD ASKING AT THIS STAGE FOR ISRAEL
TO GIVE UP VERY LITTLE OF THE TERRITORY IT TOOK IN 1967
AND NONE OF ITS SETTLEMENTS, HE HAS NARROWED THE ISSUE
DOWN TO ISRAELI CESSION OF TWO SEEMINGLY MINOR HILLS, AND
THOSE NOT TO SYRIA BUT TO UN. IF NEGOTIATIONS BREAK DOWN
ON THIS ISSUE, ASAD WILL BE IN VERY STRONG POSITION TO SADDLE ISRAEL WITH ONUS OF FAILURE AND TO CONVENE SUMMIT IN
WHICH ALL PARTICIPANTS WOULD BE FORCED TO RALLY BEHIND
SYRIAN POSITION. EVEN SADAT WOULD BE HARD PRESSED TO
BLOCK SUCH A TREND, WHATEVER HIS PERSONAL INCLINATIONS.

MORI/CDF C03345586

State Dept. review completed

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

3. THIS IS NOT TO SAY THAT ASAD IS EAGER TO TAKE THIS COURSE. HE MUST RECOGNIZE THAT BREAKDOWN OF GOLAN NEGOTIATIONS SHARPLY INCREASES RISK OF FULL-SCALE HOSTILITIES, EITHER BY SYRIAN ESCALATION UNDER PRESSURE FROM RADICAL SYRIAN AND PALESTINIAN FORCES, OR BY ISRAELI PREEMPTION AGAINST CONTINUING SYRIAN BUILDUP OF NEW

SCOWROFT, MCFARLANE

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SOVIET EQUIPMENT. FOR ASAD FULL-SCALE WAR CARRIES THREAT OF EVEN GREATER ISRAELI PUNISHMENT THEN LAST FALL AND LIKELIHOOD OF FURTHER SUBJUGATION OF SYRIA TO SOVIET INFLUENCE.

4. THEREFORE, IF NEGOTIATIONS BREAK DOWN, WE BELIEVE THAT FROM PURELY MILITARY STANDPOINT SYRIA MOULD PREFER TO HOLD WAR OF ATTRITION TO PRESENT LEVEL, BUYING TIME FOR ABSORPTION OF MORE SOPHISTICATED HEAPONS NOW ON ORDER, PARTICULARLY JET FIGHTERS, AND LOOKING FOR SOME SUBSEQUENT GIVE IN ISRAELI POSITION.

5. YOU HAVE MUCH CLOSER VIEW OF EFFECT OF MA'ALOT ON NEGOTIATIONS. FROM HERE IT IS DIFFICULT TO SEE HOW, IN FACE OF POPULAR REVULSION TO CASUALTIES AND RESENTHENT AT IDF FAILURE TO CLOSE LEBANESE BORDER. ISRAELI GOVERNMENT COULD RETREAT ANY FURTHER FROM NEGOTIATING POSITION IT HAS GIVEN YOU. INDEED, HE DO NOT RULE OUT EARLY ISRAELI DECISION TO OCCUPY STRIP OF SOUTHERN LEBANON AND CONVERT IT INTO CORDON SANITAIRE AGAINST FEDAYEEN INFERITATION—AN ACTION WHICH WOULD MAKE A GOLAN DISENGAGEMENT EVEN MORE DIFFICULT TO ACHIEVE, BY INFLAMING ARAB OPINION AND INCREASING TENDENCY OF SYRIAN MILITARY TO ENCROACH ON LEBANESE TERRITORY.

O. THEREFORE SEEMS CLEAR FROM HERE THAT MA'ALOT HAS MADE TOMORROW'S MEETING WITH ASAD EVEN MORE CRUCIAL. WE SEE SLIGHT CHANCE THAT ASAD, IF HE COULD BE ASSURED OF RESTRAINED ISRAELI RESPONSE TO MA'ALOT, MIGHT BE PERSUADED TO TAKE THE MAGNANIMOUS ROAD AND MODERATE HIS TERRITORIAL DEMANDS AT THIS STAGE A BIT MORE--PERHAPS ENOUGH TO MEET ISRAEL'S TERMS. IF TOMORROW'S MEETING DOES NOT BEAR FRUIT, WE FEAR HE WILL BREAK OFF TALKS, CALL A SUMMIT, ACCUSE ISRAEL OF BAD FAITH AND SADAT, BY IMPLICATION, OF EXCESSIVE FAITH IN THE US, AND LOBBY FOR A COMMON ARAB FRONT AGAINST THE ISRAELI POSITION, IN-CLUDING RESUMPTION OF OIL EMBARGO AGAINST US.

7. IF THESE OBSERVATIONS HAVE ANY VALIDITY, YOUR MEETING WITH ASAD OFFERS THE BEST CHANCE EVER-ALTHOUGH PERHAPS NOT THE LAST CHANCE-TO STRIKE A DEAL ON GOLAN DISENGAGEMENT. YOUR ARGUMENT COULD BE THAT IF ISRAEL IS EVER TO SHOW RESTRAINT AND ASAD IS EVER TO SHOW STATESMANSHIP, NOW IS THE TIME.

WGHYLAND/5-15-74

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